



Procurement and  
Payment Services

# PROCUREMENT SERVICES MANUAL

*Revised March 2023*

For questions please contact:

[procurement@uwyo.edu](mailto:procurement@uwyo.edu)

Procurement Services Main Office  
307-766-5233

Table of Contents

	<u>Page</u>
<b>Section 1. Procurement Services Policy</b>	
A. Authority for Procurement .....	1
B. Responsibility and Objectives.....	1
C. Authorized Purchases .....	1
D. Gifts and Gratuities.....	1
E. Conflict of Interest .....	1
F. Personal Purchases.....	2
G. Unauthorized Purchases .....	2
H. Equal Opportunity/Affirmative Action .....	2
<b>Section 2. Resident Preference</b>	
A. Preference and Definition of Bona Fide Wyoming Resident Vendor.....	3
B. Preference for Resident Contractors; Limitation with Preference to Lowest Bid.....	3
C. Preference for Material and Equipment.....	4
D. Preference for Resident Printers .....	4
<b>Section 3. Exemption from Taxes</b>	
A. Policy .....	4
<b>Section 4. Bidding Policy</b>	
A. Supplies and Equipment.....	5
B. Printing.....	6
C. Public Works Bonding .....	6
D. Non-Public Works Bonding.....	7
E. Advertising .....	7
F. Federal Funded Procurement .....	7
G. Exceptions to Bid Policy .....	7
<b>Section 5. Purchase Orders and Change Orders</b>	
A. Purchase Orders.....	8
B. Change Orders .....	8
<b>Section 6. Invoice Payment</b>	
A. Policy .....	8
B. Shipping Charges.....	8

## SECTION 1 – PROCUREMENT SERVICES POLICY

### A. Authority for Procurement

The Vice President for Administration shall maintain a centralized Procurement Services headed by the Procurement and Payment Services Manager. The Procurement Services Manager is responsible for all purchasing from funds under the control of the university, whether federal, state, or university.

### B. Responsibility and Objectives

The function of Procurement Services is to organize and administer a purchasing service in accordance with sound business practices and federal, state, and university regulations, policies, and procedures. The department seeks to realize for the university the maximum value for every dollar expended.

To achieve this goal, Procurement Services has been charged with the responsibility for the following:

1. Processing all properly approved purchase orders for the purchase of supplies, food, materials, equipment and services for all divisions and departments of the university.
2. Securing competitive bids when possible to obtain maximum value from the expenditure of university funds.
3. Coordinating the procurement of goods and services for the academic, administrative and research departments of the university.
4. Maintaining liaison with the vendors who service the university.
5. Developing sources of supply to assure that the university departments have an adequate number of vendors from which to obtain supplies, equipment and services.
6. Assisting in the preparation of contracts for goods, services, leases, maintenance agreements, and consulting.
7. Approving certain contracts, MOU's and agreements as delegated by the VP for Administration.

### C. Authorized Purchases

In accordance with the authority delegated to the Procurement Services Manager, all purchases, irrespective of the source of funding, will be governed by the procedures outlined in this manual.

The basic policy is to obtain all supplies, equipment and services at the lowest cost to the university consistent with quality, quantity and availability of the items at the time of purchase. In conforming to this policy, the cost of the purchase as well as delivery and quality will be considered. Competitive bids will be solicited whenever practical.

Commitments against university funds are made only by means of a written purchase order or procurement card. Purchase agreements entered into by individuals prior to the issuance of an authorized purchase order or the authorization of a procurement card may be treated as a personal obligation, payable by the individual making the agreement.

For all federal fund expenditures, departments are prohibited from contracting with parties that are suspended or debarred. These transactions include purchases made for goods and services that are expected to equal or exceed \$25,000. For purposes of bidding and purchase order requests Procurement Services will accomplish this by checking the *System for Award Management, sam.gov*, maintained by the General Services Administration (GSA). A compliant certification will be held in the Procurement Services Office.

### D. Gifts and Gratuities

It is the policy of the university that university employees may not accept personal gifts or gratuities in connection with the purchasing function.

### E. Conflict of Interest

The university as a general rule does not enter into purchasing contracts with faculty and staff or members of their immediate families. This restriction shall not apply in cases where the purchase is made upon a contract awarded after competitive bidding, and such employee is the lowest responsible bidder.

F. Personal Purchases and Shipping Policy

The university is prohibited from making purchases for resale to employees or permitting personal purchases using university facilities.

The University does not allow purchased goods to be shipped to a personal address. All goods must be shipped to a University address.

\*Due to the COVID-19 pandemic, the University is allowing the shipment of some goods to a home address for the period of March 2020 – August 2021.

G. Unauthorized Purchases

The University of Wyoming, as a state agency, adheres to the policy outlined by the Wyoming State Auditor concerning the proper expenditure of public funds.

The Constitution does not allow the state to bestow gifts on individuals. Payment cannot be allowed for:

- a. Donations
- b. Flowers
- c. Expenses for funerals.
- d. Expenses related to a social event for a retiring employee.
- e. Expenses for refreshments for employee or guest consumption unless directly related to a university business purpose.
- f. Purchase of alcohol.
- g. Personal memberships - as per state policy: "Payment of dues and fees for membership in professional organizations that are required as a condition of employment (such as membership in the Wyoming Bar Association) is allowed. If membership in such an organization contributes materially to the mission of the Agency, as for example by allowing the Agency to participate in seminars or to receive professional journals, then such memberships may be approved by the Agency Directors".

H. Equal Opportunity/Affirmative Action

Both parties shall fully adhere to all applicable local, state and federal law, including equal employment opportunity and including but not limited to compliance with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and the American with Disabilities Act of 1990. The University is committed to equal opportunity for all persons in all facets of the University's operations and is an Equal Opportunity/Affirmative Action employer. The University will provide all applicants for admissions, employment and all University employees with equal opportunity without regard to race, gender, religion, color, national origin, disability, age, protected veteran status, sexual orientation, genetic information, gender identity, creed, ancestry, political belief, any other applicable protected category, or participation in any protected activity. The University ensures non-discriminatory practices in all matters relating to its education programs and activities and extends the same non-discriminatory practices to recruiting, hiring, training, compensation, benefits, promotions, demotions, transfers, and all other terms and conditions of employment.

Contractors are notified that they may be subject to the provisions of 41 CFR Section 60-300.5(a); 41 CFR Section 60-741.5(a); 41 CFR Section 60-1.4(a) and (c); 41 CFR Section 60-1.7(a); 48 CFR Section 52.222-54(d); and 29 CFR Part 471, Appendix A to Subpart A with respect to affirmative action and posting requirements. If applicable, **this contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.** If applicable, **this contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.**

## SECTION 2 - RESIDENT PREFERENCE

### A. Preference and Definition for Bona Fide Wyoming Resident Vendor

As defined by Wyoming Statute 16-6-105:

Preference shall be allowed in purchase of materials, supplies, equipment and machinery provided by bona fide Wyoming residents when such materials, supplies, equipment, machinery or provisions are of quality equal to those of any other state enforcing or having a differential for 'out-of-state' materials, supplies, equipment, machinery, or provisions. Such preference shall be five percent (5%) and shall apply to materials, supplies, equipment, machinery or provisions produced, manufactured or grown in this state, and to materials, supplies, equipment, and machinery supplied by a Wyoming resident. However, preferences shall not be given in violation of any federal law, rule or regulation. Whenever Federal laws are applicable, Federal laws shall supersede any State laws.

The five percent differential shall be added to the lowest responsible non-resident proposal and then compared with the proposal of the lowest responsible resident. After applying the differential, if the resident's proposal is beneath that of the non-resident, the resident will be considered the low bidder.

For purposes of purchases described in the above paragraph a bona fide Wyoming resident shall be construed to mean a person, partnership or corporation certified as a resident by the Wyoming Department of Workforce Services prior to bidding upon the contract, subject to the following criteria:

### B. Preference for Resident Contractors; Limitation With Preference to Lowest Bid

1. If a contract is let by the state, any department thereof, or any county, city, town, school district, community college district or other public corporation of the state for the erection, construction, alteration or repair of any public building, or other public structure, or for making any addition thereto, or for any public work or improvements, the contract shall be let, if advertisement for bids is not required, to a resident of the state. If advertisement for bids is required the contract shall be let to the responsible certified resident making the lowest bid if the certified resident's bid is not more than five percent (5%) higher than that of the lowest responsible nonresident bidder.
2. If any person who is certified as a resident contractor for any reason loses that certification, that person may not be recertified as a resident for a period of one (1) year from the date of decertification.
3. If any person who applies for certification as a resident contractor is denied certification because of not meeting the residency requirements, that person may not reapply for certification for a period of one hundred eighty (180) days from the date certification is denied. No person shall be denied certification because of inadvertent omission of information, as determined by the department of employment, on an application for resident certification.
4. The department of employment shall deny or revoke a certificate of residency even if the applicant or certificate holder is in compliance with W.W. 16-6-101(a)(i), if the department finds:
  - a. The applicant or certificate holder:
    1. Has contracted with a nonresident parent corporation, partnership, individual, limited partnership, limited liability partnership or limited liability company, or any subsidiary of the nonresident parent for any goods or services;
    2. Repealed by Laws 1999, ch. 152, § 2.
5. The department may make investigations as necessary to determine whether any person is eligible to receive or continue to hold a certificate of residency. The department may require or permit any person to file a statement in writing, under oath or otherwise as to all the facts and circumstances concerning the matter to be investigated. For the purpose of any investigation under this section, the director of the department or any person designated by him may administer oaths and affirmations, subpoena witnesses, and compel their attendance, take evidence and require the production of any books, papers, correspondence, memoranda, agreements or other documents or records, which the director or designated person deems relevant or material to the inquiry. In case of refusal to obey a subpoena issued to any person, any Wyoming district court, upon

application by the director, may issue to the person an order requiring him to appear before the director or the officer designated by him, to produce documentary evidence if so ordered, or to give evidence touching the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as contempt of court.

6. If, after investigation, the department believes that a certificate of residency should be denied or revoked, it shall provide notice to the applicant or certificate holder of its intent to deny or revoke the certificate and of the applicant or certificate holder's opportunity for a hearing if requested. Any hearing conducted under this subsection shall be conducted in accordance with the Wyoming Administrative Procedure Act. (Laws 1939, ch. 50, § 1; C.S. 1945, § 22-507; W.S. 1957, § 9-664; W.S. 1977, § 9-8-302; Laws 1982, ch. 62, § 3; 1988, ch. 14, § 1; 1989, ch. 156, § 1; 1990, ch. 63, § 2; 1994, ch. 30, § 1; 1999, ch. 152, §§ 1, 2.)

C. Preference for Material and Equipment

1. Every board, commission or other governing body of any state institution, and every person acting as purchasing agent for the board, commission or other governing body of any state institution or department, and every county, municipality, school district and community college district, shall prefer in all purchases for supplies, material, agricultural products, equipment, machinery and provisions to be used in the maintenance and upkeep of their respective institutions, supplies, materials, agricultural products, equipment, machinery and provisions produced, manufactured or grown in this state, and supplies, materials, agricultural products, equipment, machinery and provisions supplied by a resident of the state, competent and capable to provide service for the supplies, materials, agricultural products, equipment, machinery and provisions within the state of Wyoming. Preference shall not be granted for articles of inferior quality to those offered by competitors outside of the state, but a differential of not to exceed five percent (5%) may be allowed in cost on the Wyoming materials, supplies, agricultural products, equipment, machinery and provisions of quality equal to those of any other state or country.
2. As used in this section, "agricultural products" means any horticultural, viticultural, vegetable product, livestock, livestock product, bees or honey, poultry or poultry product, sheep or wool product, timber or timber product. (Laws 1931, ch. 50, § 1; R.S. 1931, § 108-301; C.S. 1945, § 19-1501; W.S. 1957, § 9-667; Laws 1969, ch. 188, § 1; W.S. 1977, § 9-8-305; Laws 1982, ch. 62, § 3; 1989, ch. 69, § 1; 1997, ch. 130, § 1.)

D. Preference for Resident Printers

1. "Whenever a contract is let by the state of any department thereof, or any of its subdivisions, for public printing, including reports of officers and boards, pamphlets, blanks, letterheads, envelopes and printed and lithographed matter of every kind and description whatsoever, the contract shall be let to the responsible resident making the lowest bid if the resident's bid is not more than ten percent (10%) higher than that of the lowest responsible nonresident bidder. Any successful resident bidder shall perform at least seventy-five (75%) of the contract within the State of Wyoming. This section shall not apply to any contract for the compilation, codification, revision, or digest of the statutes or case law of the state." If less than 75% of the contract is performed within the state by the resident vendor then the resident vendor will receive the standard 5% preference.

### SECTION 3 - EXEMPTION FROM TAXES

A. Policy

The University of Wyoming is tax exempt, therefore direct billings must not include federal tax, Wyoming state sales tax and Wyoming lodging tax. Departments taking delivery of merchandise outside of Wyoming may be subject to that state's sales tax. To insure that UW's tax exempt status is preserved, the point of delivery needs to be within Wyoming.

Sales tax will be reimbursed to individuals for travel and other small purchases made outside of Wyoming.

Contractors purchasing and consuming material, equipment and supplies for their performance of alterations, improvements, or repair of real property are subject to the Wyoming sales or use tax. Purchases by contractors of equipment, materials and supplies consumed in contracts with the United States Government, and the University of Wyoming are subject to sales and use tax.

Tax Exemption certificates can be downloaded from the Financial Affairs website:  
<http://www.uwyo.edu/administration/financial-affairs/forms/index.html>

## SECTION 4 - BIDDING POLICY

### A. Supplies, Equipment, and Services

**Goods** are defined as supplies, materials, and equipment purchased by university departments.

- For purchases of goods between \$10,000 and \$99,999.99, departments are required to attach quotes from two (2) separate suppliers to the purchase order. Colleges and/or departments are encouraged to contact Procurement Services to schedule a short training session on obtaining quotes for purchases within the \$10,000 to \$99,999.99 range.
  - When obtaining quotes, the following information should be requested from the vendor, thus enabling departments to receive a complete price:
    - Quotes should include the shipping term **D.A.P. Incoterms® 2010, University of Wyoming, Laramie, WY, 82071**. This means that the seller has total responsibility for, and ownership of, the goods until the shipment is delivered. Upon delivery, title passes to the buyer.
    - Freight charges should be included in the quoted price.
- For purchases of goods totaling \$100,000 or more, departments must work with the Procurement and Payment Services Office to obtain bids or approval for a sole source. The dollar amount is based on the total cost of goods ordered, not each line-item within an order.
- Goods with a value of \$10,000 or more purchased using the Procurement Services Catalogs (e.g. CDW, Office Depot, Fisher Scientific, and any future catalogs) are exempt from this policy.
- If the department feels sole sourcing the good from a supplier meets the criteria set forth by the Procurement and Payment Services Office, the department may send the sole source justification form to the Procurement and Payment Services Office for review and approval prior to initiating a requisition. If authorized, a buyer will sign the form and return it to the department to be attached to the requisition.

**Services** are defined as labor, time, or effort furnished by an outside entity to the university.

- For purchases of services totaling \$10,000-\$99,999.99, departments are required to attach two (2) separate supplier quotes to the requisition.
- For purchases of services totaling \$100,000 or more, departments must work with the Procurement and Payment Services Office to obtain bids. A bid for a service is considered to be a full Request for a Proposal (RFP).

The cost of services is based on a complete project or contract (i.e., a cumulative value). Projects or contracts may be short in duration or be performed over a longer period of time. Certain types of service contracts (artists, speakers, unique service providers) may be exempted from the bid process. Requests for an exemption should be submitted in writing to the Office of General Counsel for review and consultation with the appropriate VP and the VP for Administration.

Purchases of goods and services with total costs below the stated thresholds may be bid at the discretion of the assigned Procurement Services Buyer, when the Buyer deems it is in the university's best interest to pursue more competitive pricing. In addition, departments may request that Procurement Services obtain bids for goods and services below the bid threshold.

A single purchase may include both goods and services (installation of equipment, etc.). Quotes from suppliers must include all costs associated with the purchase. For asset purposes, the total cost of a good includes the price of the good, freight, service, warranty, training, initial software, and installation. Maintenance agreements are not considered part of the cost of the good.



**Vehicle Purchases** – The Procurement Services Office will obtain bids for all vehicles, regardless of price, per UW Regulation 3-179 Regulations Governing Use of University Vehicles.

**Buildings & Grounds** – Per UW Regulation 6-4, V. Alterations or Improvements, Internal and external users are expressly prohibited from making any alterations or improvements or performing maintenance to University buildings or grounds. All construction, alterations, improvements or maintenance to University buildings or grounds shall be performed exclusively by, or through, the University Physical Plant or the Facilities Planning Office. All alterations or improvements or maintenance shall be requested through Physical Plant in the process set forth on the Physical Plant website. University departments, employees or offices authorizing or permitting any alterations or improvements to University facilities in violation of this directive shall be responsible for all subsequent costs resulting from such unauthorized alterations or improvements.

Physical Plant will review specifications for specialized equipment ordered by departments to be installed in University property. This review is to ensure that the existing infrastructure will support the proper operation of the equipment and assist the department in ordering items that will not require extensive modifications of the infrastructure at departmental expense. Subject to review will be any piece of electrical equipment that requires more than a standard 120 volt 15-amp receptacle, any equipment that requires permanent attachment to water or steam systems, and any equipment requiring venting of any type.

Physical Plant will review any potential installation of “modular furniture and/or office systems with partitions” proposed by departments to be installed in University property. This review is to ensure that the planned installation does not violate provisions of the appropriate fire and building codes or interfere with building systems operation and maintenance. This review is intended to protect the health and life safety of students and university personnel as well as ensure the accessibility of electrical panels, motors, pneumatic controls, radiator valves, steam traps and other equipment requiring maintenance.

B. Printing

Printing obtained with university funds from commercial sources will be secured through competitive bidding if valued at \$10,000.00 or more. Printing jobs that fall below this \$10,000.00 level will be competitively bid at the discretion of the Procurement Services Buyer, in conjunction with University Graphics and the UW department placing the order (client). University Graphics will submit printing specifications for recruiting, fundraising, and major promotional publications jobs, regardless of price, in consultation with the client. Jobs valued \$10,000.00 and over but not falling within the above three categories, will be put out for bid by Procurement Services after receiving completed specifications from the department.

University Graphics will serve as the main liaison in the institutional publications process in conjunction with Institutional Marketing and Procurement Services.

Additional information may be found at <https://www.uwyo.edu/print-graphics/>. See Section 5 for additional information.

C. Public Works Bonding

1. Except as provided under W.S. 9-2-1016(b)(xviii), any contract entered into with the state, any county, city, town, school district or other political subdivision of the state for the erection, construction, alteration, repair or addition to any public building or other public structure or for any public work or improvement and the contract price exceeds seven thousand five hundred dollars (\$7,500.00), shall require any contractor before beginning work under the contract to furnish the state or any political subdivision, as appropriate, a bond or if the contract price is one hundred thousand dollars (\$100,000.00) or less, any other form of guarantee approved by the state or the political subdivision. The bond or other form of guarantee shall be:
  - a. Conditioned for the payment of all taxes, excises, licenses, assessments, contributions, penalties and interest lawfully due the state or any political subdivision;
  - b. For the use and benefit of any person performing any work or labor or furnishing any material or goods of any kind which were used in the execution of the contract, conditioned for the performance and completion of the contract according to its terms, compliance with all the requirements of law and payment as due of all just claims for work or labor performed, material furnished and taxes, excises, licenses, assessments, contributions, penalties and interest accrued in the execution of the contract;
  - c. In an amount not less than fifty percent (50%) of the contract price unless the price exceeds one hundred thousand dollars(\$100,000.00), in which case the appropriate officer, agent or the governing body may fix a sufficient amount;



- d. Approved by and filed with the appropriate officer, agent or other designee of the state or governing body of the political subdivision.
2. A bond or other guarantee satisfactory to the state or political subdivision, as the case may be, shall include the obligations specified under subsection (1) of this section even though not expressly written into the guarantee.
3. In default of the prompt payment of all obligations under the guarantee, a direct proceeding may be brought in any court of competent jurisdiction by the authorized officer or agency to enforce payment. The right to proceed in this matter is cumulative and in addition to other remedies provided by law.

D. Non-Public Works Bonding

Before any contract exceeding \$25,000.00 in amount for the construction, alteration or repair of any university building is awarded to any person or business, they shall furnish a performance and payment bond executed by a surety company authorized to do business in the state of Wyoming, in an amount equal to 100% of the contract price.

This paragraph does not limit the authority of the university to require a performance bond or other security in addition to bonds or in circumstances other than the circumstances specified by this section.

E. Advertising

It is the policy of the university to advertise for bids when it is in the best interest to do so. As a general rule all construction projects, which exceed \$25,000.00, will be advertised. All other projects will be evaluated on an individual basis.

When it is deemed in the best interest to advertise, it shall be done for three successive weeks in at least one newspaper with statewide circulation and two local newspapers or a combination of statewide or local newspaper(s) and construction reporting service in the locality of the construction and/or contracted maintenance or repair project.

F. Federal Funded Procurement

The University of Wyoming will comply with Procurement Standards as defined in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards”, Subpart D, Sections 200.318-200.326 for all federal grant ended procurements.

G. Exceptions to the Bid Threshold Policy

The following goods and services purchases are exempted from the bid threshold policy, as many of these goods/services are more specific in nature and are normally completed by a specialist in the related field. For example, if a department wanted to bring the premier industry leader in a certain area to campus to speak, we would not expect the premier industry leader to need to quotes, as they are the expert in their area. Contracts/Statements of Work are still required.

1. Memorandums of understanding
2. Speakers who are presenting to campus
3. Entertainer/entertainment suppliers
4. Medical services, including, but not limited to, doctors for the medical residencies, medical services, and medication
5. Maintenance agreements
6. Insurance
7. Attorneys
8. Study abroad program suppliers
9. Agreements with school districts, community colleges, and other intuitions of higher education.
10. Memberships to professional organizations
11. Game Guarantees
12. Credit Card Processing Fees
13. Subawards
14. Royalties
15. Awards/Registrations

- 16. Property/Assessments
- 17. Consignment Tickets
- 18. Group Purchasing Organization (GPO's)
- 19. Animals

Requests for exceptions not listed above will be escalated to the Associate Vice President for Financial Affairs to make a final determination.

## SECTION 5 – PURCHASE ORDERS AND CHANGE ORDERS

### A. Request for Good and Services

All requests for ordering goods and services must be initiated through a Requisition process in WyoCloud Financials software system. All requests will be processed through a multi-level approval process in WyoCloud. Quick Reference Guides are available with instructions on how to create Requisitions can be found in the University website under WyoCloud. <https://uwyo.teamdynamix.com/TDClient/KB/?CategoryID=4940>.\*

When creating a purchase order or non-PO invoice, the names of students, personnel, potential employees, etc., are not to be included in the header or line description areas. The initials of a person's name are permissible in the aforementioned areas. Names can be included within any attached information or documentation.

### B. Change Orders

Change orders are used when changes are needed to a purchase order that has already been created. These changes can be: quantity, amount, charge account changes, encumbrance removal, cancel lines, add lines, and cancel purchase orders. An online change order to the Requisition in WyoCloud must be created. Quick Reference Guides are available with instructions on how to create Change Orders can be found in the University website under WyoCloud. <https://uwyo.teamdynamix.com/TDClient/KB/?CategoryID=4940>.\*

\*WyoCloud training is required prior to employees obtaining access.

## SECTION 6 – INVOICE PAYMENT

### A. Policy

Payment Services shall settle claims provided to their office through the University financial system. Before these claims can be settled the Payment Services Office shall ensure:

- Receipt of a bill, invoice, or other evidence of the claim from the supplier is satisfactory in respect to the expenditure. Bill, invoice, or other evidence of claim from the supplier must outline the quantity, product description, amount and/or description of service received and amount of that service.
- When submitting claims to Payment Services for payment, the department/employee is certifying that the claim is valid and goods/services have been received.
- Not pay amounts in excess of the encumbered amount on Purchase Orders, amounts in excess of invoice of other payment documentation attached to Expense Reports or non-PO Invoices.
  - Refusal of payment request shall be returned with a written statement for the reason for rejection to the department or individual.
- Prepayments
  - A pre-paid transaction is one in which a vendor requires payment prior to the actual delivery of the goods or services. It is the University's policy not to make prepayments, however certain transactions by their very nature require prepayment. The department's first response to this should be an attempt to find another suitable vendor for the needed item or service. If no other appropriate vendor can be found, the department should follow the exception process detailed below:
    - 1. Obtain written acknowledgement accepting the financial risk associated with a prepayment (i.e., the department will be liable for the expense in the event the goods or services are not delivered).
      - Written acknowledgement should be obtained from the following individual based on the dollar amount of the prepayment:

• Approver	• Threshold
• Cost Center Approver (Approval can be provided in <i>Notes</i> section of requisition)	• \$0-\$99,999
• Dean/AVP	• \$100,000-\$249,999
• VP	• \$250,000-\$499,999
• President	• \$500,000-\$1,000,000
• Board of Trustees	• \$1,000,000 and above

- The following are some purchases that do not require the additional acknowledgement accepting financial risk of a prepayment described above:
  - Allowable PCard purchases (web orders, hotels, plane tickets etc.,)
  - Real Property Leases
  - Software renewals
  - Journal subscription renewals
- Once a prepayment is made, the burden for insuring delivery of goods and services rests solely on the ordering department.

B. Shipping Charges

Shipping charges that are added to an invoice that were not included in the initial purchase requisition and therefore not on the Purchase Order will not require a change order to add the shipping charge. Payment Services will process payment and will add a shipping line when they enter the invoice. The shipping line will be prorated against all PO lines matched on the invoice. The end-user will not need to take any additional action on the Purchase Order (i.e., shipping charges will not need to be received when added by Payment Services).

As a reminder, be sure to indicate the PO number on the invoice when submitting it to Payment Services. If shipping charges are not to be prorated against all lines, please indicate the charge account or PO line number on the invoice itself in addition to the PO number when emailing the invoice to Payment Services. **NOTE:** If the PO includes separate line items for both capitalized purchases and non-capitalized, please indicate what line item is the capitalized item and the shipping will be prorated against the capitalized line item only.

There is no limit to cost of shipping charges. Any other unanticipated charges will either require a change order to be completed or may fall under the Invoice Tolerance Department Administrative Policy and Procedure.